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Board of Supervisors

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March 12, 2019

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Christina R. Ghaly, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Dear Supervisors:

REQUEST DELEGATED AUTHORITY TO INCREASE INCIDENTAL EXPENSES FOR OFFICIAL FUNCTIONS AND MEETINGS (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

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www.dhs.lacounty.gov

To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

SUBJECT

Request delegated authority to increase the total annual incidental expense limit of \$5,000 to \$745,000 and increase the per occurrence amount from \$500 to \$35,000 for Fiscal Year 2018-19 and subsequent fiscal years to cover the costs of a wide range of official meetings, conferences, and other official and/or employee-centered events aimed at improving quality of patient care and community responsiveness that is associated with County business, and in support of the Department’s mission and the Board’s Strategic Initiatives.

IT IS RECOMMENDED THAT THE BOARD:

Delegate authority to the Director of Health Services (Director), or her designee, to incur incidental expenses above the annual sum of \$5,000 as outlined in Section 5.40.097 of the County Code by \$740,000, bringing its total limit to \$745,000 annually, and increase the per occurrence limit from \$500 to \$35,000 for Fiscal Year (FY) 2018-19 and future FYs, provided that the Department of Health Services (DHS) generates an annual expenditure report for the Board of Supervisors (Board) and Chief Executive Office (CEO).



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PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will delegate authority to the Director, or her designee, to incur annual expenses of \$740,000 above the \$5,000 annual expense limit for a total of \$745,000 for reasonable incidental expenses associated with County business, including various official functions and meetings, and also increase the per occurrence limit from \$500 to \$35,000 for FY 2018-19 and future FYs, provided that DHS generate an annual expenditure report for the Board and CEO.

Pursuant to Section 5.40.097 of the Los Angeles County Code and consistent with Section 4.9.0 of the County Fiscal Manual, the Department is requesting to increase its incidental expense budget for food and/or beverages and for other necessary expenses incidental to the conduct of County government at official functions and meetings for the following purposes: (a) improving patient care at DHS facilities; (b) sharing program information with and strengthening the safety net network of community partners and other stakeholders; and (c) improving workforce development and increasing operational effectiveness.

Specific areas of DHS operations that will benefit from this increase include collaborative meetings and functions between health services staff and other stakeholders (e.g., community residents, community partners, DHS medical professionals, etc.) to fully implement new health programs associated with the Board's Homeless Initiatives, Whole Person Care Program, Office of Diversion and Re-entry, Supportive Housing Services, and other programs and initiatives and to enhance the effectiveness and efficiency of DHS operations.

DHS will also utilize incidental expenses to provide food and/or refreshments at meetings with County business clients, including those individuals or organizations that directly or indirectly benefit the community and/or support the main mission of the Department.

Additionally, reasonable incidental expenses will be utilized by the Director, or her designee, for: (a) special recognition events for the community, community partners and/or health services staff (the cost of this type of event per hospital ranges between \$25,000 and \$35,000); and (b) staff training and management planning sessions conducted to improve the quality of service provided to County patients. Attachment A provides a list of suggested annual events funded through incidental expenses.

The Board's approval of the recommended action will enhance DHS' ability to collaborate with community partners and hold events that foster internal culture change within DHS as it innovates through existing and new programs that align with key departmental objectives and Board Strategic Initiatives.

Implementation of Strategic Plan Goals

The recommended actions support Strategy II.2, "Support the Wellness of Our Communities;" Strategy III.1, "Continually Pursue Development of Our Workforce;" Strategy III.3, "Operational Effectiveness, Fiscal Responsibility, and Accountability" and Strategy III.4, "Engage and Share Information with Our Customers, Communities and Partners" of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

Funding for incidental expenses is included in DHS' FY 2018-19 Final Budget. Funding will be

included in future FYs up to \$745,000 annually, as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Section 5.40.097 of the County Code permits departments to purchase food and beverages for official functions and meetings authorized by the department head up to \$500 per occasion with a maximum of \$5,000 per year. Any expenditure of more than \$500 per occurrence must be approved in advance by the Chairperson of the Board of Supervisors. Expenditures exceeding the \$5,000 annual limit must be approved in advance by the Board as an agenda item.

Authorized expenses include: (a) coffee, other liquid refreshments, and food items for departmental meetings; meetings with individual Board members and/or their representatives, and/or other County officials; and meetings of Board-appointed advisory commissions and committees; (b) refreshments or meals when meeting with County business clients, including individuals or organizations which directly or indirectly benefit the community and/or the main mission of the Department; and (c) other reasonable expenses including, but not limited, to refreshments or meals incurred by the Director, or her designee, associated with County business, including special recognition, non-routine events, matters of protocol, staff training, and management strategy or planning sessions, and retreats conducted to improve the quality of service provided to the public.

Because of DHS' size and the complex nature of its services, including the operation of four hospitals and multiple outpatient care sites, DHS is requesting up to \$745,000 in expenditure authority annually. The Director will ensure that DHS establishes, if necessary, and maintains protocols and procedures for the appropriate expenditure of these funds.

CONTRACTING PROCESS

Not Applicable

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended action will enable DHS to reimburse staff for incidental expenses related to official departmental functions and meetings that are in alignment with DHS operational objectives for implementation of new programs and improved patient care, as well as, the Department's efforts to support the Board Strategic Initiatives.

The Honorable Board of Supervisors

3/12/2019

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Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Christina R. Ghaly".

Christina R. Ghaly, M.D.

Director

CRG:sd

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

**Department of Health Services
Planned and Anticipated Annual Events Funded Through Incidental Expense**

Facility/Program Offices	Event Title	Description/Purpose	Estimated Annual Expense (Including Incidental and Venue)
Health Services Administration, Hospitals, and Clinics	Collaborative Meetings and Functions with Various Service Providers, Committees, and Stakeholders	Occur on a weekly, quarterly, monthly, and annual basis.	\$ 148,600
	Community Education, Outreach, and Engagement	Community engagement, education, and outreach activities for patients and family members in the eight service planning areas.	\$ 118,800
	Employee Orientation, Training, and Recognition	Various employee appreciation events, refreshments for trainings, and orientations. Various recruitment and retention orientations, professional development and continuing education courses, new equipment and facility training, and professional staff associations.	\$ 320,700
	Conferences, Resource Fairs, Sponsorship Events	Various non-recurring one-time events, regulatory fairs, and learning collaboratives, etc.	\$ 156,900
Grand Total			\$ 745,000

NOTE: This chart reflects a general summary of several planned and anticipated events throughout DHS but may not be inclusive of all planned events for which approval is being requested.